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Testimony of
 Natasha M. Pierre, JD, MSW
 Policy & Legislative Director
 The Permanent Commission on the Status of Women
 Before the
 Labor and Public Employees Committee
 January 31, 2013

Re: S.B. 387, AA Increasing the Minimum Fair Wage

Senators Osten and Markley, Representatives Tercyak and Smith, and members of the committee, thank you for this opportunity to provide testimony on behalf of the Permanent Commission on the Status of Women (PCSW) regarding **S.B. 387, AA Increasing the Minimum Fair Wage**.

The PCSW supports an increase in the minimum wage, and the concept of basing future increases on the consumer price index. This proposal would allow workers a minimum amount of financial security by ensuring that their wages keep pace with the real cost of living in Connecticut without requiring legislative action every year.

Impact on CT Women: Increasing the minimum wage will assist all families in remaining self-sufficient since 33.5% of Connecticut women and 24.3% of Connecticut men, aged 16 or older earn minimum wage, which amounts to \$17,499 a year or less.¹ These workers are very close to the federal poverty level, which is \$11,170 for a family of one; \$15,130 for a family of 2, and \$19,090 for a family of three.²

Since the minimum wage rarely registers as a viable number to determine the cost of living in an expensive state such as Connecticut, PCSW has contracted with researchers to develop two reports that more accurately report what is needed to be self-sufficient in Connecticut. These reports are the *Family Economic Self Sufficiency Standard* (FESS),³ which calculates a working family's needs to meet basic expenses; and the *Basic Economic Standards Table* (BEST),⁴ which calculates a working family's basic expenses plus savings. Both of these reports measure the true cost of living by region and family size in the state of Connecticut.

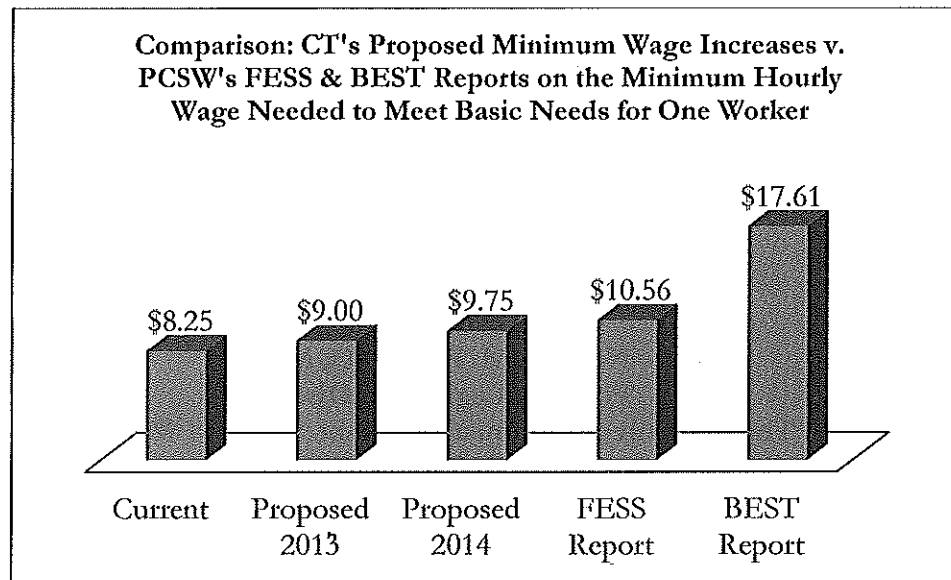
¹ Calculated by PCSW using the U.S. Census Bureau's American Fact Finder: Sex by Earning in the Past 12 Months (in 2010 inflation adjusted dollars) for the Population 16 Years and Over with Earnings in the Past 12 Months. Data Source: 2010 American Community Survey 1-Year Estimates. Full-time is defined as 40 hours a week for 52 weeks.

² 2012 HHS Poverty Guidelines, *Federal Register Notice*, January 26, 2012.

³ Diana Pearce. *The Real Cost of Living in 2005: The Self-Sufficiency Standard for Connecticut*, Office of Workforce Competitiveness, State of Connecticut, 2005. Values inflated to 2008 using Department of Labor Consumer Price Index (CPI).

⁴ PCSW Basic Economic Standards Table Report – Release Date: March/April 2012

Full time workers earning minimum wage are well below the FESS and BEST standards. According to PCSW's research, a person living in Connecticut needs to make \$10.56/hour to meet their basic needs and \$17.61/hour to meet their basic needs and have a modest amount of emergency savings.



Increasing the minimum wage to keep pace with inflation is fair, and it would also have a significant impact on the economic security of women and all low- and moderate-wage workers. If we want workers to succeed, and to be able to support themselves and their families, then we have to create a realistic floor on wages-not one that leaves working adults and their children at or below poverty.

We look forward to working with you to address this important issue. Thank you for your consideration.